



Hector De La Torre

Assembly Member 50th District

News Release

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Assembly Passes Legislation to Create Equality in Maternity Coverage

Assembly Bill 1962 by De La Torre will include maternity services as a basic healthcare coverage

Sacramento, Calif. – The Assembly passed Assembly Bill 1962 on a vote of 44-31 today to require all health insurance products regulated under the Department of Insurance to cover maternity services. Assembly Bill 1962, authored by Assemblymember Hector De La Torre (D-South Gate), closes the loophole exploited by some health insurance companies that sell cheap, non-comprehensive coverage.

"Some insurance products are a bait and switch for buyers who want individual health insurance, but maternity services are not covered," said De La Torre. "Assembly Bill 1962 will help protect the interests of women and their families by closing these loopholes that allow some health insurance products in the individual market to exclude basic maternity coverage."

Under California law, health plans are regulated by two state agencies and subject to different regulations. Health plans (such as HMO's) are currently required to include maternity services in any health insurance policy they offer; however, health insurers (such as PPOs) are not.

Lack of insurance will result in inadequate prenatal care which is a factor in the premature birth of one out of every 10 babies in California. The estimate of average costs for each premature birth range from \$75,000 to \$130,000 or more per baby.

Federal law requires employers to include maternity services when they purchase health insurance; to not do so constitutes employment discrimination against women. However, policies sold to individuals in California are not subject to this requirement. As more employers drop health insurance for their employees, insurance companies are increasingly targeting the young and uninsured segment of the market with these non-maternity products.

"The economic and social costs of restricting or delaying this access to women are intolerable," said Richard Frankenstein, MD, President of the California Medical Association. "These types of insurance products are inherently barriers to care, and any delay in prenatal care can result in serious health problems for both the mother and her baby."

Supporters of the bill include, March of Dimes, California Medical Association, American College of Obstetricians and Gynecologists, Latino Issues Forum, Kaiser Permanente, and Planned Parenthood.

The bill proceeds to the Senate where it will receive further policy hearings.

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